

From: Wayne Hedberg
To: MNRLS
Date: 11/20/96 3:47pm
Subject: UPDATE - Factory Butte Mineral, Humic Shale Mine - S/055/006

I received another telephone call from John Blake of SITLA today. He called in response to his review of the mine file documentation we sent him on Dick Shumway's Factory Butte (humic shale) small mining operation. John indicated that the Affidavit that Dick Shumway signed with us in December of 1992 (which qualified him for an exemption from the coal program rules), was not applicable. The signed Affidavit identified state mineral lease ML-45082 as a coal lease held by Mr. Shumway. John stated that ML-45082 **was not** a coal lease, but a **phosphate lease** which had been **canceled** by State Lands prior to the signing of the Affidavit.

Mr. Shumway presently holds no mineral leases from TLA for the Factory Butte area. John stated that the humic shale SMO which Mr. Shumway has filed with our agency is not valid as far as TLA is concerned. Humic shale falls under a clay lease which is presently held by Mr. Dwayne Fransen. Mr. Fransen has not filed a mine plan application to mine the humic shale to date. The coal lease for this area is presently held by Mr. Bob Schupe. Mr. Schupe is apparently trying to sublease to Mr. Shumway at the present time.

John has sent a letter to Mr. Schupe (which we were copied on) informing Mr. Schupe that TLA will not allow the sublease to occur until "someone" reclaims several small excavations/pits that John more recently observed in a reclaimed section of the site. He will also send a letter to Mr. Shumway advising him that he has no authority to do any mining on these state leases at this time. He asked that we advise Mr. Shumway of the same in any subsequent correspondence we may have with him. I stated I would pass on this information to pertinent staff, management and the mine file.

THIS E-MAIL HAS BEEN COPIED TO FILE # S/055/006

CC: MWRIGHT, LBRAXTON, ASPOSUPT.TLMAIN.JBLAKE